



FINANCIAL SERVICES

The primary objective of the Financial Services team is to support the Commission with the provision of professional financial advice and the delivery of a quality service in financial management and accounting. The Commission is a Schedule 1 Government Agency. Its total expenditure for the year ended 30 June 2003 was \$14.9 million.

Financial Management and Performance

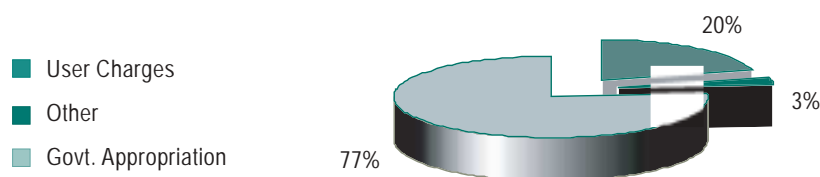
The unqualified audit report from the Auditor General confirms the Commission’s compliance with the Treasurer’s Directions and all statutory financial regulations pertaining to the management of the finances, maintenance of accounts, and production of these financial statements.

There were no major events after the balance date that would have a significant effect in the succeeding year on the Commissions operations, clients or stakeholders.

Revenue

The Commission’s revenue in 2002-2003 was \$16.4 million which was drawn from three sources:

- Government appropriation
- User pays revenue from the sale of language services
- Miscellaneous revenue including grants for special projects, earnings from provision of corporate services and investment income.



The following table outlines the Commission’s revenue over the last three years.

Source		2000-2001	2001-2002	2002-2003
User Charges	\$	2,714,000	3,066,000	3,341,000
Other	\$	482,000	380,000	544,000
Government appropriation	\$	10,255,000	11,149,000	12,468,000
Total	\$	13,451,000	14,595,000	16,353,000

Operating Result

The Commission achieved a surplus from its operating activities for the year of \$1.4 million. This result was slightly down on forecast which was \$1.5 million.

Expenses

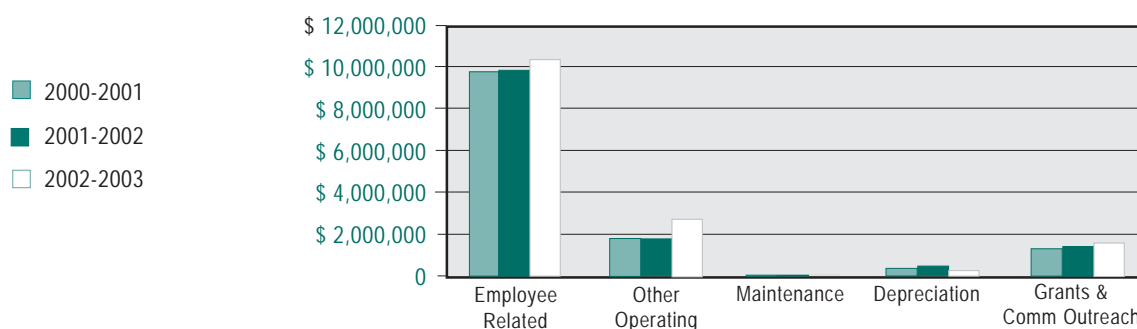
The Commission's expenses increased significantly from \$13.8 million in 2001-2002 to \$15.0 million in 2002-2003. This increase is reflected in the proportionate increase in the Commission's revenue outlined previously and is due to a number of factors:

- ◆ The output of the Commission's Language Services Division increasing by \$687,000
- ◆ The Commission partnering with other agencies to provide project guidance and leadership in the following projects:
 - Community Harmony Round Table for the Canterbury-Bankstown area
 - NSW youth partnership with Pacific Islander communities
 - Youth partnership with Arabic speaking communities and
 - Cabramatta CityWatch project
- ◆ The relocation of the Commission's premises due to a fire
- ◆ The Commission's provision of Hot Line services as a result of the Bali terrorist attack.

Comparison of Expenses for the period 2000-2003

The table and the following graph below provide a comparison of the expenditure of the Commission over the past three years.

		2000-2001	2001-2002	2002-2003
■ Employee Related	\$	9,780,000	9,854,000	10,309,000
■ Other Operating	\$	1,822,000	1,821,000	2,593,000
■ Maintenance	\$	28,000	46,000	57,000
■ Depreciation	\$	216,000	590,000	431,000
■ Grants & Comm Outreach	\$	1,327,000	1,502,000	1,580,000
Total	\$	13,173,000	13,813,000	14,970,000



Time for payment of accounts - Accounts Payable

The Commission has an excellent account paying record and settles at least 99 % of claims by the due date. While all claims on hand are settled promptly, some late payments are unavoidable through factors beyond the control of the organisation. Payments effected after due date may be due to the late receipt of creditors' invoices and/or discrepancies with the goods or services received. Despite settling a minute proportion of claims after the due date, no penalty interest was paid or became payable in this financial year for late payment of accounts.

Performance indicators of the Commission's payments for this year are disclosed in the tables below.

Quarter	Total Accounts Paid on Time			Total amount paid \$
	Target%	Actual%	\$	
September	100.00	100.00	1,497,851	1,497,851
December	100.00	100.000	2,510,341	2,510,341
March	100.00	100.00	2,063,307	2,063,307
June	100.00	99.90	2,507,543	2,510,003

Accounts paid on time within each quarter

Time for payment of accounts - Accounts Receivable

The Commission put in a major effort to reduce the outstanding debtor balances from 2001-2002. The effect of this emphasis is represented in the analysis that follows. The 90 days outstanding column has been reduced from \$83,256 last year to \$8,736 in 2002-2003.

Quarter	Current	30 days	60 days	90 days
	\$	\$	\$	\$
September	246,502	4,173	25,962	24,186
December	559,648	15,084	10,469	33,737
March	408,284	4,987	7,028	30,611
June	470,567	5,622	6,960	8,736

Aged analysis at the end of each quarter

Consultant	Purpose	Amount
Beasley Intercultural	Needs analysis and preparation of a diversity training program for middle management	10,130
Brenda Odewhan Consulting	Grievance investigation	2,025
Edwina Deakin	Advice on the provision of corporate services to Carnivale	1,188
Lawrence Goodstone	Independent member on interview panel for official panel of government interpreters	1,227
Lexiq	Preparation of training package for Language Services	15,000
Peter Bell & Associates	Review / Prepare / Evaluate Position Descriptions	3,150
Southern Cross Alliance	Research and preparation of material in respect of migration issues	5,500
Stephen Matchett	Preparation of Marketing Plan for Community Language Media Review Services	24,500

Engagement of Consultants

During the 2002-2003 financial year the Commission engaged the following consultants:

Exceptional movements in employee wages, salary and allowances

The exceptional movement employee related expenses are explained by the Commission's increase in the provision of language services which are directly linked to increased employee expenses for panelists. Also, the Commission was engaged and provided additional funding to carry out projects as listed elsewhere in this document. To fulfil its obligation under these partnership agreements, the Commission employs casual project staff and this is also reflected in the increase of employee related expenditure.

Implementation of price determinations

During the year there were no price determinations which had a significant effect on the operation of the Community Relations Commission.

Land Disposal

In respect of the reporting period, the Community Relations Commission did not hold, sell or acquire land.

Overseas Visits

There was one official overseas visit undertaken in the Commission during the year. The Chairman was invited by the Consulate General of the Republic of Turkey in Sydney to provide a series of lectures on multiculturalism at the Bilgi university in Istanbul and the Ankara University in Ankara. This visit took place in November 2002.

Disability Action Plan

Priority Area – Physical Access:

1. *All CRC premises will be barrier free.*
* Stockland House refurbishment completed to Australian Standard AS1428 – 2001.
2. *Venues used by CRC for public meetings will be barrier free and accessible to public transport.*
* Venues being considered for use by the CRC are now assessed for barrier free access and proximity to public transport.
3. *Interpreters provided by CRC for public meetings, consultations and conferences to cater for needs of all customers including those with disabilities.* *
Relevant community language and AUSLAN interpreters are used for all public consultations where appropriate on an ongoing basis.

Priority Area – Staff Training:

1. *All CRC staff respond appropriately and sensitively to the needs of people with disabilities.*
* TTY facility located in Language Services Division and staff are trained in its use.
* Guide for Selection Committees including sections addressing the needs of applicants with a disability approved May 2002.

Priority Area – Information about services:

1. *People with disabilities will be able to access information about the CRC and its services in a medium and format appropriate to their needs.*
* CRC information is accessible in various forms and media including in print and online. * Approximately 700 AUSLAN interpreting assignments were completed in 2002. * Language Services Division meets with the Deaf Society twice yearly to discuss issues regarding accessibility for deaf clients, especially in rural and regional areas.

Priority Area – Employment in the Public Sector:

1. *Increased employment and career path development for people with disabilities in the CRC.*

* Three staff with disabilities progressed their careers with the Commission by providing relief and being remunerated in higher graded positions between 2000 and 2002.

* Guide for Selection Committees including sections addressing the needs of applicants with a disability approved May 2002. *

Managers informed of available resources to increase access for employees with disabilities, including access to the NSW Traineeships for People with a Disability program.

* All CRC advertisements for vacancies are drafted according to NSW Government policy.

* ODEOPE's FAQ booklet is made available to panel convenors.

Priority Area – Complaints Procedures:

1. *Appropriate access to remedial measures for people with disabilities who may be dissatisfied with their level of access to the CRC and its services.*

* CRC Language Services Division complaints procedures allowing complaints to be received in accessible variety of formats published June 2002.

Government Action Plan for Women

The NSW **Government Action Plan for Women** is underpinned by principles of equity, access, rights and participation in providing a solid foundation for focus on women with the least access to social and economic resources. The plan also reflects the commitment to eliminate all forms of discrimination against women.

The Commission continued to make part-time work available to women with family responsibilities as well as providing access to Family and Community Services and Carers leave.

Privacy Management Plan

The Privacy and Personal Information Protection Act 1998 provides for the protection of personal information and for the protection of the privacy of individuals generally. The Act introduced a set of privacy standards for the NSW public sector. These standards regulate the way the Commission and other government agencies deal with personal information.

The Commission is still operating under a draft Privacy Management Plan and is in the process of finalising its privacy plan.

Corporate Credit Cards

The Commission does not issue corporate credit cards.

Disclosure of controlled entities

The Community Relations Commission does not control entities as described in section 45A (1A) of the Public Finance and Audit Act, 1983.

INTERNAL AUDIT AND RISK MANAGEMENT

The Commission completed a business risk assessment through a cross functional exercise and updated its internal audit plan during the year. One internal audit review was completed during the year in June 2003 with a pleasing result. The Internal Audit report highlighted some recommendations to tighten internal controls and minimise risk and management has responded to these as appropriate.

A corporate governance manual was compiled and issued to Divisional Directors and Commissioners during the year. The Commissions risk model will be updated each year to reflect the changing environment that we operate in.

ACCOMMODATION SERVICES

The Accommodation Services unit fulfils an essential support role to the Commission. The unit's major responsibilities include procurement, stores, facilities, energy and waste management, maintenance acquisition and disposal of fixed assets. Refurbishments, fit-outs and building maintenance are also monitored and coordinated by this unit.

Energy Performance

Corporate commitment

The Community Relations Commission is committed to achieve savings in energy usage and sustained energy management principles. The Commission has one site that purchases electricity on the contestable market. This site currently purchases 6% of its electricity from renewable sources.

The continued purchase of electricity in the contestable market has lowered costs. A reduction in greenhouse gas emissions has also been achieved by our consumption of 6% green power for the last four years.

Planning

Accountability and responsibility for energy management have been established by the nomination of an Energy Manager and Energy Co-ordinator.

Where cost effectively feasible, the Commission will endeavour to continue to reduce energy consumption in buildings and transport. The Commission has already achieved the GEMP energy reduction target of 15% of the 1995 level by 2001 (excluding fleet data). An Energy Management Plan has been completed and identifies energy consumption reduction targets and includes the strategies for all facilities.

Fuel	*Total Energy Consumed (GJ)	% of Total Energy	Annual Cost excluding GST	Carbon Dioxide (CO ₂) Greenhouse emissions (tonnes)
Electricity (Black Coal)	910.8	88%	\$18,805	241.9
Electricity (Green Power)	58.1	6%	\$1,560	-
Petrol	66.9	6%	\$1,591	4.4
TOTAL	1,035.8	100%	\$21,956	246.3

* Estimations of energy consumption have been made where 12 months of data was unavailable.

Implementation

The Energy Management Plan has established a plan of implementation to enable energy savings to be enhanced. The plan will address facilities or technologies with the greatest saving potential. The plan has identified suitable funding options to enable energy saving recommendations to be implemented.

Performance

The following major energy fuels were purchased by the Commission during 2002/2003: There has been a 34% increase in overall energy consumption from last year and a 6% reduction compared to the 1995/96 GEMP baseline, for buildings only. Consumption goals for each type of fuel have been included in the Energy Management Plan.

The Newcastle office is now located in a smaller rental space, and additional office area has been leased due to relocation of staff from the Ashfield offices.

Following a fire at the Ashfield offices, additional office space was acquired at Stockland House Sydney. This has resulted in a significant increase in energy consumption while operating the two sites. Energy consumption is expected to decrease as the Ashfield site has now been vacated.

Future Direction

The Energy Management Plan will include the Commission's policy directions, monitoring targeting and reporting mechanisms, and energy management strategies. These directions, mechanisms and strategies will be implemented during 2003-2004 where possible.